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GNP Up in Japan

Recently released GNP figures in Japan showed considerable strength and brought fiscal year growth to a level slightly above the government's prediction. Unfortunately, the principal engine of growth remains net exports, although domestic private sectors continue to show some signs of recovery. For the first quarter of the year, real (inflation adjusted) GNP rose at an annualized rate of 7.4 percent, and full fiscal year growth (April 1983-March 1983) came to 3.7 percent, slightly higher than the government forecast of 3.5 percent. Full details are contained in the accompanying table.

Japan's Real Gross National Product at Constant Prices (1975 Prices)

(in billions of yen, seasonally adjusted, quarterly totals and rates of growth at annual rates)

	FY 1982	FY 1983	April-June 1983	July-September 1983	October-December 1983	January-March 1984
Gross National Product	Y205,260.3 (3.3%)	Y212,784.9 (3.7%)	Y208,684.0 (4.5%)	Y211,856.1 (6.2%)	Y213,500.8 (3.1%)	Y217,339.8 (7.4%)
Personal Consumption Spending	108,092.5 (4.6%)	111,219.7 (2.9%)	109,915.3 (0.7%)	110,848.1 (3.4%)	111,452.2 (2.2%)	112,683.4 (4.5%)
Private Residential Construction	10,805.2 (1.3%)	10,016.6 (-7.6%)	9,577.3 (-41.9%)	9,904.1 (14.4%)	10,464.2 (24.6%)	10,218.7 (-9.1%)
Private Fixed Nonresidential Investment	35,208.3 (2.8%)	36,540.0 (3.8%)	35,400.2 (3.8%)	36,002.0 (7.0%)	36,767.7 (8.8%)	37,854.4 (12.4%)
Change in Business Inventories	1,237.9 (-30.4%)	704.0 (-43.1%)	884.8 (*)	400.4 (*)	891.7 (*)	639.2 (*)
Government Current Expenditures	19,347.3 (2.0%)	19,951.4 (3.1%)	19,622.4 (2.5%)	19,843.5 (4.6%)	20,046.9 (4.2%)	20,294.6 (5.0%)
Government Fixed Investment	18,470.2 (1.1%)	18,457.9 (-0.1%)	18,768.8 (21.6%)	18,932.2 (3.5%)	18,381.3 (-11.1%)	17,894.2 (-10.2)
Change in Government Inventories	-371.2 (-136.3%)	-261.9 (-29.4%)	-206.0 (*)	-165.6 (*)	-676.3 (*)	-17.8 (*)
Net External Sector	12,470.2 (6.9%)	16,157.2 (29.6%)	14,720.2 (40.0%)	16,091.4 (42.8%)	16,173.1 (2.0%)	17,773.1 (45.8%)
Exports of Goods and Services and Factor Income Received	40,282.6 (0.7%)	44,060.4 (9.4%)	41,108.1 (12.8%)	43,292.3 (23.0%)	44,987.1 (16.6%)	46,974.8 (18.9%)
Imports of Goods and Services and Factor Income Paid	27,812.4 (-1.9%)	27,903.2 (0.3%)	26,387.9 (0.4%)	27,200.9 (12.9%)	28,814.0 (25.9%)	29,201.7 (5.5%)

*Cannot be calculated or meaningless.

Source: Economic Planning Agency

Trade and Payments Data
(in millions of dollars unless otherwise indicated)

	1982	1983	January-April 1983	January-April 1984	February 1984	March 1984	April 1984
Japan's Balance of Payments							
Trade Balance	$ 18,079	$ 31,454	$ 7,317	$11,547*	$ 3,126*	$ 4,229*	$ 3,902*
Exports (f.o.b.)	137,663	145,468	45,379	52,899*	13,066*	15,423*	14,284*
Imports (f.o.b.)	119,584	114,014	38,062	41,352*	9,940*	11,194*	10,382*
Current Account Balance	6,850	20,799	3,643	8,375*	2,010*	3,367*	3,524*
Long-Term Capital (net)	-14,969	-17,700	-4,644	-10,360*	-2,231*	-1,968*	-4,423*
Overall Balance	-4,971	5,177	-4,346	-4,855	-154	-533	-1,785
International Reserves (end of period)	23,262	24,496	24,272	25,321	24,984	25,109	25,321
Japan's Customs Clearance Trade							
Trade Balance	6,900	20,534	3,764	7,657*	2,179	3,200	3,114*
Exports (f.o.b.)	138,831	146,928	45,468	53,453*	13,244	15,569	14,440*
Cars	18,015	19,535	6,488	7,096*	1,693	1,449	2,307*
Steel	15,645	12,843	3,961	4,249*	1,025	1,267	1,049*
Imports (c.i.f.)	131,931	126,393	41,704	45,796*	11,065	12,370	11,326*
Crude Oil	46,274	40,063	14,848	14,045*	3,519	4,053	3,190*
Japan-U.S. Trade							
Trade Balance	12,151	18,181	4,517	8,840*	2,141	2,417	3,017*
Exports (f.o.b.)	36,330	42,829	12,014	17,645*	4,407	4,691	5,141*
Imports (c.i.f.)	24,179	24,648	7,497	8,805*	2,266	2,274	2,124*
Yen-Dollar Exchange Rate							
Tokyo Spot Market (end of period)	Y235.00	Y232.20	---	---	Y233.50	Y224.70	Y226.00
U.S.-Japan Trade							
Trade Balance	-16,778	-19,289	-5,810	-10,077	-1,821	-2,730	-2,766
Exports (f.a.s.)	20,966	21,894	6,558	7,567	1,813	2,028	1,872
Industrial Supplies	9,173	8,734	2,889	2,916	726	775	691
Food and Feed	4,971	5,555	1,576	2,004	439	513	527
Capital Goods	4,434	5,116	1,345	1,785	435	510	449
Consumer Goods	1,356	1,394	457	465	119	127	110
Imports (Customs)	37,744	41,183	12,368	17,644	3,634	4,758	4,638
Automotive Products	12,890	14,919	4,471	5,579	1,121	1,571	1,372
Industrial Supplies	6,795	5,391	1,671	2,424	568	602	645
Consumer Goods	7,842	8,296	2,511	3,479	705	944	962
Capital Goods	9,530	11,896	3,502	5,889	1,172	1,576	1,594

*Preliminary

Japanese Economic Indicators

(percentage change from year-earlier period unless otherwise indicated)

	1982	1983	January-March 1983	January-March 1984	January 1984	February 1984	March 1984
Discount Rate (end of period)	5.5%	5.0%	5.5%	5.0%	5.0%	5.0%	5.0%
Outstanding Money Supply	9.2%	7.4%	7.6%	7.9%	7.6%	7.8%	8.4%
Industrial Production	0.3%	3.6%	-0.9%	11.2%*	10.0%	13.6%	10.0%*
Manufacturing Operating Rate	-2.9%	1.6%	-2.8%	9.2%	7.7%	12.3%	7.5%
Number of Bankruptcies	-2.8%	11.9%	5.7%	18.9%	19.3%	22.8%	15.5%
Residential Construction Starts	-0.5%	-0.8%	4.5%	-0.8%	-11.7%	2.8%	5.6%
Job Openings to Applications (ratio)	0.61	0.60	0.59	0.64	0.64	0.65	0.64
Nominal Wages	4.5%	3.5%	5.7%	4.1%	3.3%	3.8%	5.2%
Labor Productivity	1.0%	4.6%	n.a.	n.a.	n.a.	n.a.	n.a.
Wholesale Prices	1.8%	-2.2%	-0.7%	-1.3%	-1.4%	-1.3%	-1.3%
Consumer Prices	2.7%	1.9%	2.1%	2.4%	1.8%	2.9%	2.5%
Yen-Based Export Prices	3.9%	-6.0%	-5.1%	-1.0%	-1.0%	-0.2%	-1.9%
Yen-Based Import Prices	7.9%	-7.8%	-0.6%	-6.6%	-6.5%	-6.8%	-6.4%

*Preliminary

For Japan's most recent GNP figures, see JEI Report No. 25B, June 29, 1984.

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